



January 23, 2002

SENATE BILL No. 173

DIGEST OF SB 173 (Updated January 17, 2002 11:40 AM - DI 102)

Citations Affected: IC 10-1; IC 20-12; noncode.

Synopsis: State police disability pension. Authorizes the state police department (ISP) to establish disability expense reimbursements and disability pensions for employee beneficiaries who incur disabilities: (1) in the line of duty; and (2) not in the line of duty. Authorizes the ISP to seek rulings from the Internal Revenue Service as to the federal tax treatment for the line of duty disability benefits. Provides for a waiver of tuition and mandatory fees at any state supported college, university, or technical school for the child or spouse of a regular, paid ISP police employee who has been permanently and totally disabled by a catastrophic personal injury that was sustained in the line of duty and permanently prevents the employee from performing any gainful work. (The introduced version of this bill was prepared by the pension management oversight commission.)

Effective: July 1, 2002.

Harrison, Lutz L, Hershman, Antich

January 7, 2002, read first time and referred to Committee on Pensions and Labor.
January 22, 2002, reported favorably — Do Pass.

C
o
p
y

SB 173—LS 6320/DI 102+



January 23, 2002

Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

SENATE BILL No. 173

A BILL FOR AN ACT to amend the Indiana Code concerning pensions.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 10-1-1.9-10 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2002]: **Sec. 10. "Supplementary trust agreement" means an**
4 **agreement that has the force and effect of law between the**
5 **department and the trustee concerning the police benefit fund (as**
6 **described in IC 10-1-2-6).**

7 SECTION 2. IC 10-1-2-4 IS AMENDED TO READ AS FOLLOWS
8 [EFFECTIVE JULY 1, 2002]: Sec. 4. (a) As used in this section, the
9 "Americans with Disabilities Act" means the Americans with
10 Disabilities Act (42 U.S.C. 12101, et seq.) and the regulations and
11 amendments related thereto.

12 (b) Authority is hereby granted to the department to establish,
13 operate, and make necessary contributions to a disability reserve
14 account for the payment of disability expense reimbursement and
15 pension to disabled employee beneficiaries. **The department also may**
16 **do the following:**

17 **(1) Establish, under the terms of a supplementary trust**

SB 173—LS 6320/DI 102+



1 agreement, disability expense reimbursements and disability
 2 pensions to be paid to employee beneficiaries who incur a
 3 disability in the line of duty.

4 (2) Establish, under the terms of a supplementary trust
 5 agreement, disability expense reimbursements and disability
 6 pensions to be paid to employee beneficiaries who incur a
 7 disability not in the line of duty.

8 (3) Seek rulings from the Internal Revenue Service as to the
 9 federal tax treatment for the line of duty disability benefits
 10 authorized by this section.

11 No monthly disability pension shall exceed the maximum basic pension
 12 amount. However, in the case of disability incurred in line of duty, such
 13 employee beneficiary may receive not more than forty dollars (\$40) per
 14 month for each dependent parent and dependent child less than
 15 eighteen (18) years of age, in addition to the monthly disability pension
 16 payment under this chapter. Time in disability pension status shall be
 17 deemed qualifying active service for purposes of calculating retirement
 18 pension. ~~and retirement pension contributions in the amount prevailing~~
 19 ~~at the commencement of disability leave shall be withheld from~~
 20 ~~monthly disability pension payments rather than from wages for the~~
 21 ~~duration of disability leave.~~

22 (c) This section shall be administered in a manner that is consistent
 23 with the Americans with Disabilities Act, to the extent required by such
 24 act.

25 (d) A disability payment made under this chapter is worker's
 26 compensation in lieu of a payment under IC 22-3-2 through IC 22-3-7.

27 SECTION 3. IC 20-12-19.5-3 IS ADDED TO THE INDIANA
 28 CODE AS A NEW SECTION TO READ AS FOLLOWS
 29 [EFFECTIVE JULY 1, 2002]: **Sec. 3. The child or spouse of a**
 30 **regular, paid police employee of the state police department who**
 31 **has been permanently and totally disabled by a catastrophic**
 32 **personal injury that was sustained in the line of duty and**
 33 **permanently prevents the employee from performing any gainful**
 34 **work may not be required to pay tuition or mandatory fees at any**
 35 **state supported college, university, or technical school, if:**

36 (1) the child is less than twenty-three (23) years of age and is
 37 a full-time student pursuing a prescribed course of study; or

38 (2) the spouse is pursuing a prescribed course of study toward
 39 an undergraduate degree.

40 SECTION 4. [EFFECTIVE JULY 1, 2002] IC 20-12-19.5-3, as
 41 added by this act, applies to the child or spouse of a regular, paid
 42 police employee of the state police department if the regular police

C
o
p
y



1 **employee of the state police department was permanently and**
2 **totally disabled by a catastrophic personal injury that:**
3 **(1) was sustained in the line of duty; and**
4 **(2) permanently prevents the employee from performing any**
5 **gainful work;**
6 **before, on, or after July 1, 2002.**

C
o
p
y



SENATE MOTION

Mr. President: I move that Senator Lutz be added as second author of Senate Bill 173.

HARRISON

SENATE MOTION

Mr. President: I move that Senators Hershman and Antich be added as coauthors of Senate Bill 173.

HARRISON

C
o
p
y



COMMITTEE REPORT

Mr. President: The Senate Committee on Pensions and Labor, to which was referred Senate Bill No. 173, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 173 as introduced.)

HARRISON, Chairperson

Committee Vote: Yeas 9, Nays 0.

C
o
p
y

SB 173—LS 6320/DI 102+

